

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

JOINT STATUS REPORT

Pursuant to the Court’s Order of October 17, 2023 (Dkt. #53), Plaintiff Commodity Futures Trading Commission (“CFTC”) and Defendants Walmy Rivera-Santiago (“Rivera”), Hector Javier Santos-Pagan (“Santos”), JRH Services, Inc. (“JRH”), and Infinity Investment and Construction Management Corp. (“Infinity”) (collectively, “Defendants”) hereby submit the following Joint Status Report concerning their efforts to reach a settlement of this matter.

The parties have engaged in discussions regarding settlement over the past several weeks. Initially, these discussions yielded agreement on several components of a potential settlement; however, the parties continue to disagree regarding the amount of a proposed civil monetary penalty. The parties have exchanged figures, but the gap between these figures remains wide.

Over the past week, a new source of disagreement has arisen between the parties as to the form a settlement would take. The CFTC requires that any settlement between the parties be in the form of a proposed consent order that would be submitted to the Court. This proposed consent order would make findings of fact and conclusions of law and impose the sanctions agreed to by the parties. While Defendants are willing to agree to certain sanctions as part of a negotiated settlement (i.e., a permanent injunction, a ban on trading and registration, and a civil monetary penalty to the extent an agreement can be reached on its amount), they are not willing to agree to a settlement that includes the Court making findings of fact and conclusions of law tracking the allegations of the CFTC's Complaint.

In light of these current disagreements, the parties have reached an impasse in their attempts to reach a settlement.

Respectfully Submitted,

/s/ Alan Edelman

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Dated: November 17, 2023

CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of November 2023, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF. I also certify that the foregoing document is being served on all parties or counsel of record identified below in the manner specified, either via transmission of Notices of Electronic Filing generated by CM/ECF or in some other authorized manner for those counsel or parties who are not authorized to receive electronically Notices of Electronic Filing:

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